

**4/26/77 [1]**

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# WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/ attach.	From <del>Zbigniew Brzezinski</del> to The President (6pp) Re: <u>Proliferation Legislation</u> <i>OPENED 1/18/13</i>	<del>4/26/77</del>	A

## FILE LOCATION

Carter Presidential Papers-Staff Offices , Office of the Staff Sec.- Pres. Hand-writing File 4/26/77 [1] Box **20**

## RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

ATTACHMENT

IV. Projects which were recommended for deletion from FY 1978 budget:

	Original FY78 Request (Millions)	Total Savings (Millions)
Applegate Lake (Oregon)- COE	7.4	74.0
Atchafalaya River and Bayous		
Boeuf, Black & Chene (Louisiana)- COE	5.1	10.1
Bayou Bodcau (Louisiana)- COE	2.4	10.0
Cache Basin (Arkansas)- COE	2.0	88.5
Grove Lake (Kansas)- COE	1.0	83.9
Hillsdale Lake (Kansas)-COE	14.0	38.6
LaFarge Lake (Wisconsin)-COE	2.0	36.9
Lukfata Lake (Oklahoma)-COE	0.2	29.6
Meramec Park Lake (Missouri)-COE	10.0	88.7
Richard B. Russell Dam and Lake (Georgia-South Carolina)-COE	21.0	254.9
Tallahala Creek Lake (Mississippi)-COE	5.0	52.0
Yatesville (Kentucky)-COE	7.2	42.7
Columbia Dam (Tennessee)-TVA	20.0	110.4
*Auburn-Folsom South (California)-BR	39.7	898.6
Fruitland Mesa (Colorado)-BR	7.7	82.5
*Narrows Unit (Colorado)-BR	9.7	139.2
*Oahe (South Dakota)-BR	17.0	414.4
Savory-Pot Hook (Colorado-Wyoming)-BR	6.0	71.3
	\$ 177.4	\$ 2,526.3

\* Further analysis might eventually lead to reinstatement or modification.

V. Members of the Public Works Subcommittee of the Appropriations Committee:

Democrats

Tom Bevill (D-Ala 4) Chairman  
Edward P. Boland (D-Mass 2)  
Jamie L. Whitten (D-Miss 1)  
John M. Slack (D-WVa 3)  
Lindy Boggs (D-La 2)  
Norman D. Dicks (D-Wash 6)  
George E. Shipley (D-Ill 22)  
Bill Chappell (D-Fla 4)

Republicans

John T. Myers (R-Ind 7)  
Clair W. Burgener (R-Cal 43)  
Virginia Smith (R-Neb 3)

Tom Bevill, Democrat, 4th, Alabama

The fourth district is situated in northern Alabama, between Birmingham in the south and the Tennessee River Valley in the north. The district is predominantly blue collar (53%) and white. Only 9% of the residents are black; this is the lowest percentage in Alabama. It is an overwhelmingly conservative district.

Tom Bevill, previously a Wallace floor leader in the Alabama House, was elected in 1966. He was unopposed in 1974, both primary and general election, and received 80.4% of the vote in 1976. His highest rating is from the Conservative Americans for Constitutional Action (64). He is Chairman of the Public Works Subcommittee of the Appropriations Committee. Bevill was one of the Alabama congressmen that openly supported the Carter-Mondale ticket in the general election.

THE WHITE HOUSE  
WASHINGTON

April 26, 1977

Jack Watson

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

cc: Stu Eizenstat  
Jim Schlesinger

Re: Use of FRCs to Coordinate  
Energy Policy

2:45 p.m.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

April 25, 1977

MEMORANDUM FOR:

The President

FROM:

Jack Watson *Jack*

SUBJECT:

Meeting with Mayor Tom Bradley of Los Angeles  
Tuesday, April 26, 1977; 2:45 p.m.-3:00 p.m.  
Oval Office

Mayor Bradley is in Washington to attend a meeting of the Committee to select the FBI Director. He wants to discuss the following topics with you.

I. Energy Program

He has publicly supported the Plan, including the gas tax, but has an obvious interest in discussing possible use of windfall revenues by state and local governments for such projects as public transit.

He is concerned about coordination of the federal energy effort outside of Washington and has mentioned the possibility of having FRCs or some other mechanism designated on a temporary basis to coordinate energy policy. I suggest that you tell him that Jim Schlesinger and I will work on this problem. *I don't favor it.*

II. Intergovernmental Issues

We have just received a letter to you from Mayor Bradley in which he commends you for your memorandum of February 25, 1977 on the subject of intergovernmental consultation in budget, policy and reorganization planning. He has also expressed support for the White House Balanced Growth Conference and the HUD Report on Urban Growth and urges that these two efforts be coordinated. (As I said in my memorandum of April 24th, we are already doing this.)

III. Mass Transit

Mayor Bradley is aware of your hand-written note to Brock Adams on the subject of mass transit. Los Angeles has applied to UMTA for funds to build a subway system. They obviously need some type of public transportation system, but it is open as to whether less expensive alternatives can be explored and implemented.

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JW  
APR 25 1977



CITY HALL  
LOS ANGELES, CALIFORNIA 90012  
(213) 485-3311

OFFICE OF THE MAYOR

TOM BRADLEY  
MAYOR

April 20, 1977

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

I recently had an opportunity to read your February 25, 1977 memorandum addressed to the heads of executive departments and agencies on involving state and local officials in the development of your Administration's policy and budget priorities and programs. The new spirit of intergovernmental relations, represented by this memorandum, is very significant and I know it will be well received by the Mayors of this country. I commend you for it.

May I urge that the thrust and intent of your memorandum be aimed also at the regional offices of the Federal Government and the Federal Regional Councils (FRC), in the ten regions of the country. State and local governments desperately need more responsive, effective and sensitive regional offices, enabling us to enter into meaningful intergovernmental relationships. I know you are aware that the F.R.C.'s have not functioned adequately. It is important that some mechanism exist within the regions to bring about the interagency/departmental cooperation and inter-relationships needed to solve many of our complex problems.

I hope your staff will feel free to call upon me and my staff to assist in any way possible to implement the content of your February 25 memorandum.

Related to the intent of your February memo was your directive dated March 21, 1977 discussing the goal of developing "a national urban and regional policy." During my recent visit to Washington and meeting with Secretary Pat Harris, I learned of your intent to establish an interagency coordinating mechanism, or working policy group, as a first step toward

developing such a national policy. This action is long overdue and, as you are aware, both the U.S. Conference of Mayors and National League of Cities have been supportive of such a move for a number of years.

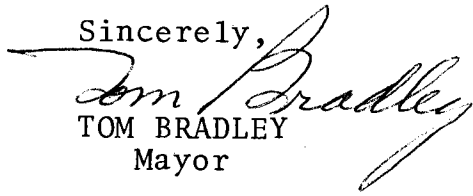
May I suggest that the directions taken by this working policy group be interrelated with two important activities mandated by the Congress. As you know, under provisions of P.L. 91-609, Title VII, the President is required to "establish a national urban growth policy," and issue a biannual "Report on Urban Growth." In addition, P.L. 94-487, Title II, authorizes the President to call a "White House Conference on Balanced National Growth and Economic Development." The law also requires the President to file a final report with Congress on the Conference and its findings and recommendations. Relating these activities to the objectives outlined in your March 21 memorandum could produce an historical and significant set of national policies and programs.

Finally, let me add that both public laws urge the creation of advisory groups, including state and local officials to assist the Administration in these tasks. Because of my long-standing interest in these issues, I am eager to assist you and your staff in this effort.

I have long had a strong and continuing interest in the whole area of intergovernmental cooperation and have served as the President of both the National League of Cities and the National Association of Regional Councils. It has been my personal belief that the problems of jurisdictions in urban areas must be solved by cooperative intergovernmental relationships between those existing units of government, and, that formal mechanisms to establish this meaningful arena of cooperation are essential if positive decisions are to be effectively reached.

I appreciate the opportunity to provide these comments, and I would hope that you would call upon me and my staff if you feel that we can be of assistance in your endeavors.

Sincerely,

  
TOM BRADLEY  
Mayor

TB:lm

cc: Secretary Patricia Roberts Harris  
Secretary Juanita Kreps  
Mr. Jack Watson  
Mr. Stuart Eizenstat



THE WHITE HOUSE  
WASHINGTON  
April 27, 1977

The Vice President  
Stu Eizenstat  
Hamilton Jordan  
Jody Powell  
Jack Watson

The attached is forwarded to you  
for your information.

Rick Hutcheson

Re: Meeting with Economic Advisers  
and Federal Reserve Board  
Chairman.

12:15 p.m.

THE PRESIDENT HAS SAID.

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

April 26, 1977

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MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CS*  
SUBJECT: Meeting with Economic Advisers and Federal Reserve Board Chairman

The agenda for your first regular monthly meeting with the Chairman of the Federal Reserve Board and your economic advisers might focus on two primary issues: the economic outlook for 1977 and the overall economic impact of the proposed energy program. The following summary of these issues will provide some background for these discussions.

I. Economic Outlook and Policies for the Remainder of 1977

Economic Growth Projections

The pace of economic activity has quickened markedly since the start of the year and the end of the cold weather. Retail spending has been particularly strong as consumer confidence has risen to the highest level in 5 years. Largely as a result of this strength, real GNP grew at an annual rate of 5.2 percent in the first quarter, double the rate of growth in the last quarter of 1976.

It is now our expectation that this strength will be maintained throughout 1977, and that over the four quarters of the year real GNP will grow by about 5-3/4 percent. The recent revision of the year-over-year growth rate from 5.4 to 4.9 primarily reflects the output already lost to the cold weather, rather than slower growth for the rest of the year.

Economic growth at this pace will require a continued strength in residential construction and an acceleration of business investment -- particularly in structures. You may want to raise the question as to whether conditions in financial markets are expected to be favorable to this investment growth. (An indirect way to probe Burns about interest rate and credit market developments.)

Budgetary Projections

The recent budget revisions for 1977 reflect both the withdrawal of the tax rebate and business tax credit, the

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plus  
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projected expenditure shortfall, and an increase in expected revenues. The result of these changes is a 1977 Federal deficit projection of \$48.7 billion, or \$19.3 billion below the previous estimate.

The slight uptick in bond prices which occurred after the announcement of the elimination of the rebate has since been reversed. Hence it appears that there has been little net reaction in the credit markets to the change in deficit estimates, despite the reduction in Treasury borrowing needs.

You may want to ask whether there are any other signs of a change in business confidence as a result of the withdrawal of the rebate proposal.

#### Monetary Projections

Most financial market projections now indicate that short-term interest rates should rise moderately throughout the rest of 1977. Interest rates could, of course, rise sharply if sufficient money and credit is not provided to finance the economic recovery. Such a sharp rise would be harmful to both residential and business investment.

The reduction in the budget projections should make it easier for the Federal Reserve Board to provide the necessary growth of money and credit to finance the recovery with moderate interest rates, but without a resurgence of inflation. Last week, the Federal Open Market Committee of the Federal Reserve Board set projections for monetary growth. These will be announced in the Congress next week.

You may want to ask about interest rate developments in light of these monetary growth projections, and whether the recent change in budget projections has any implications for monetary policy. (Burns is sensitive to being probed about the future course of interest rates -- he doesn't like it done directly.)

## II. The Economic Impact of the Proposed Energy Program and the Implications for Fiscal and Monetary Policy

### Economic Impact

Our current estimates indicate that the overall impact of the proposed energy program on the growth of real GNP will be small -- especially during the first two years of the

program. There may be some uncertainty and hesitancy in business spending plans while the Congress debates the program. In the longer run, however, we expect and need more investment as incentives are increased to install energy saving equipment. This higher rate of investment will increase borrowing requirements for both businesses and consumers.

The impact of the energy proposals on GNP in current dollars, on the other hand, is expected to be more substantial, because of the projected increase in the price of oil and gas. If all the proposals are enacted and the stand-by gasoline tax takes effect, then the rate of increase in the consumer price index could be as much as 1/2 percentage point higher each year.

#### Implications for Fiscal and Monetary Policy

The higher rate of nominal GNP growth and the additional credit requirements to finance energy-saving investments both have implications for monetary and fiscal policy. Fiscal policy should be adjusted to insure that the additional tax receipts, which are part of the energy program, do not put a drag on economic growth. Similarly monetary expansion should be sufficient to provide the credit needed to finance the higher nominal GNP growth and additional investment. If these adjustments are not made the program could have undesirable repercussions on output and employment. (Arthur Burns may not agree with this, and point out that we ought to have other prices rising slower, to offset the faster rise in energy prices. The question is, how realistic is that expectation?)

THE PRESIDENT HAS SAID.

THE WHITE HOUSE  
WASHINGTON

April 26, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE

*FM.*

SUBJECT:

OMNIBUS ENERGY BILL

The main problem with Senator Byrd and the omnibus energy bill seems to be one of institutional pride that the House would pass a bill before the Senate, therefore leaving Byrd hanging out there and looking bad.

Dr. Schlesinger's staff believe they can draft an omnibus bill in such a way that the Senate Parliamentarian can break it down into a small number of bills and refer them to three Committees--Finance and Energy with a small portion going to Banking. Neither the Senate nor the House want a resolution but prefer some preamble in the message, as they feel the Republicans would fight over the resolution, filibustering in the Senate, and drag it out in House Committees. If we are going to expend political energy, they think it should be in favor of the gas tax or the well-head tax and not goals.

If we get the legislation prepared and up there in time, the Speaker will call the House in for a proforma session on Friday to receive the message and make referrals.

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THE WHITE HOUSE  
WASHINGTON

April 26, 1977

Stu Eizenstat

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Welfare Reform -  
Tom Joe's Presentation  
on "Employment & Income  
Security"

THE WHITE HOUSE  
WASHINGTON

April 26, 1977

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*

SUBJECT: Welfare Reform

*Stu - When we set basic goals & promises, Tom must help us with them & not just be a non-deviating advocate for his own ideas.*

Tom Joe prepared this paper and had it delivered to our office this morning.

We have not had a chance to summarize it, but we thought you might want to look at this before the welfare reform meeting with Secretary Califano.

This plan details the conceptual outline of the three-track policy which Tom has talked to you about since at least 1974. While I do not believe Secretary Califano is headed down this road, Tom's plan certainly is worth serious consideration.

Mr. President:

Tom Joe's volume comes to 100 pages, including appendices. I have attached the introduction and two-page conclusion for you to scan if you have time. I recommend that the paper itself be referred to Stu's office for reading and analysis.

Rick

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THE WHITE HOUSE  
WASHINGTON

April 26, 1977

The Vice President  
Hamilton Jordan

The attached was returned in the  
President's outbox and is forwarded  
to you for your information and  
appropriate action.

Rick Hutcheson

Re: Intelligence Oversight Board  
and PFIAB

cc: Bob Lipshutz





THE PRESIDENT HAS SEEN.

THE VICE PRESIDENT  
WASHINGTON

April 25, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: THE VICE PRESIDENT

*uf*

*ok*  
*J*  
*Let's*  
*abolish PTIAB*  
*at same time*  
*J*

I have called Tom Farmer, Governor Scranton and former Senator Gore, and all have agreed to serve on the Intelligence Oversight Board, and all seem very pleased. Bob Lipshutz will call each of them to get the necessary papers and security clearances.

Incidentally, Governor Scranton said that he was not only delighted with his appointment but felt that your Administration was off to an excellent beginning and that he was very pleased with your leadership.

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THE WHITE HOUSE  
WASHINGTON

April 26, 1977

Z. Brzezinski

Please arrange to deliver  
the attached Presidential  
note to Secretary Vance.

Rick Hutcheson

cc: Jack Watson

Re: Law Day Speech

THE WHITE HOUSE  
WASHINGTON

4-26-77

To Cy Vance

The Law Day speech  
is very good. I'll do  
a much broader speech  
at Notre Dame.

Good luck in  
Georgia. They'll like  
you & the speech.

J. C.

THE WHITE HOUSE  
WASHINGTON

April 26, 1977

Frank Moore -

The attached was returned in the  
President's outbox and is forwarded  
to you for your information.

Rick Hutcheson

Re: Call from J. Randolph

THE WHITE HOUSE  
WASHINGTON

4-26-77

Phone  
for

J Randolph

dropping extran-  
ous features. Moving  
this Friday -

J

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THE WHITE HOUSE  
WASHINGTON

April 26, 1977

The Vice President  
Fran Voorhe

The attached was returned in the  
President's outbox and is forwarded  
to you for your information.

Rick Hutcheson

Re: Annual Robert F. Kennedy  
Journalism Awards Luncheon

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

April 21, 1977

TO: Tim Kraft  
FROM: Fran *fran*  
RE: Proposed Addition to President's May schedule

DATE: Monday, May 23 - 12:30 p.m. luncheon remarks  
PLACE: Kennedy Center (30 minutes total time - to & from)  
OCCASION: Annual Robert F. Kennedy Journalism Awards Luncheon  
PURPOSE: To honor those reporters who have brought public attention to the plight of Americans who too often have no one else to speak for them -- i.e. blacks, Indians, Hispanics, the disabled, the elderly, the poor.  
INVITED BY: Bonnie Angelo, TIME and also chairman of the Awards Committee this year.

COMMENT: This is a respected awards program, given annually since Robert Kennedy's death. Guest speaker is one whom the Committee feels is sensitive to the needs of the disadvantaged. This is the first time they have invited a President. Bonnie says they are doing so because of their respect for him as a person who really does care about the plight of these less fortunate.

Staff Thoughts: Jody thinks it is a nice occasion but that the President may already have too much to do.

Landon Butler and I think it would be a very nice event for the President.

\_\_\_\_\_  
Approve

*✓* *Fitz maybe J*  
\_\_\_\_\_  
Disapprove

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THE WHITE HOUSE  
WASHINGTON

8/4/66

TO  
Bob  
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Already  
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OK  
Cif letter is ready  
use pen to  
again ~



8/4/26

THE WHITE HOUSE  
WASHINGTON

TO  
Bob  
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Rich  
Cif letter is retyped we can  
use pen to sign  
again ]

THE WHITE HOUSE  
WASHINGTON

Mr. President:

The attached Memorandum has  
been edited by Jim Fallows.

Rick

ok -  
Correct type  
J

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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

APR 22 1977

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

Bert Lance, Director

SUBJECT:

Use of outside zero-base budgeting consultants by the agencies

BACKGROUND

You requested that a memorandum be prepared advising agencies to rely on designated OMB personnel for information on zero-base budgeting rather than on outside consultants.

DISCUSSION

We are designating program and budget staff to serve as a focal point for information about establishing the zero-base budgeting process. The attached memorandum requests the agencies to designate budget staff within their agency to serve as a similar source of information, and as a liaison with OMB staff. This should eliminate the need for the agencies to seek assistance from outside sources.

RECOMMENDATION

That you sign the attached memorandum.

Attachment

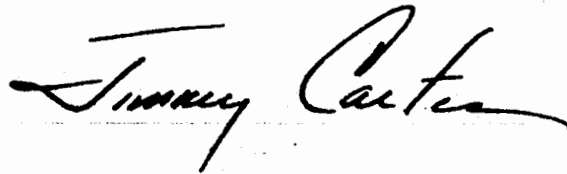
THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR THE HEADS OF  
EXECUTIVE DEPARTMENTS AND AGENCIES

At my request, the Director of the Office of Management and Budget has issued guidelines about the use of zero-based budgeting in the Executive Branch.

This is a new system, and I recognize that your staff may need advice about how to interpret and apply it. Wherever possible, I want you to rely on OMB for information about this system, rather than turning to outside commercial consultants. I have asked the OMB to designate members of the program and budget staff as zero-based budgeting representatives. They will give you the information you need about establishing the process and using it effectively.

Within your own office, I ask that you name one or two members of the budget staff to serve a similar function as sources of information on the zero-based budgeting system. This approach will help ensure that zero-based budgeting is applied uniformly throughout the Executive Branch and that we save the wasted effort and unnecessary cost of relying on consultants.

Jimmy Carter

THE WHITE HOUSE  
WASHINGTON

Date: April 23, 1977

MEMORANDUM

FOR ACTION:

Jim Fallows *attached*

FOR INFORMATION: Stu Eizenstat  
Jack Watson

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/22 re Use of outside zero-base  
budgeting consultants by the agencies.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 1:00 P.M.

DAY: Tuesday

DATE: April 26, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503


APR 22 1977

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

Bert Lance, Director 

SUBJECT:

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BACKGROUND

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RECOMMENDATION

That you sign the attached memorandum.

Attachment

THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR THE HEADS OF  
EXECUTIVE DEPARTMENTS AND AGENCIES

At my direction, the Director of the Office of Management and Budget has issued guidance on the use of zero-based budgeting in the Executive Branch. I recognize that your staff may need some help in interpreting and applying those instructions and that the assistance may be needed as soon as possible.

Accordingly, I have asked OMB to designate program and budget staff to serve as a focal point for information about establishing the zero-base budgeting process and about effective ways to use it. I ask that you designate one or two members of your budget staff to serve as a similar source of information on zero-base budgeting in your agency. This approach will help ensure the zero-base budgeting is applied throughout the Executive Branch by persons familiar with Federal Government procedures. This should avoid the need for your staff to seek assistance from commercial firms or consultants from outside the Government. Such outside advice may not necessarily be applicable to the particular needs of the Executive Branch and may result in wasted effort and unnecessary costs.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 25, 1977

TO: RICK HUTCHESON

FROM: JIM FALLOWS *Jim*

*Memorandum for  
The Heads of Exec Dept & Agencies*

Here's my suggested re-draft:

At my request, the Director of the Office of Management and Budget has issued guidelines about the use of zero-based budgeting in the Executive Branch.

This is a new system, and I recognize that your staff may need advice about how to interpret and apply it. Wherever possible, I want you to rely on OMB for information about this system, rather than turning to outside commercial consultants. I have asked the OMB to designate members of the program and budget staff as zero-based budgeting representatives. They will give you the information you need about establishing the process and using it effectively.

Within your own office, I ask that you name one or two members of the budget staff to serve a similar function as sources of information on the zero-based budgeting system. This approach will help ensure that zero-based budgeting is applied uniformly throughout the Executive Branch and that we save the wasted effort and unnecessary cost of relying on consultants.



THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR THE HEADS OF  
EXECUTIVE DEPARTMENTS AND AGENCIES

At my direction, the Director of the Office of Management and Budget has issued guidance on the use of zero-based budgeting in the Executive Branch. I recognize that your staff may need some help in interpreting and applying those instructions, and that the assistance may be needed as soon as possible. *Imes*  
*you*

*the  
help*

Accordingly, I have asked OMB to designate program and budget staff to serve as a focal point for information about establishing the zero-base budgeting process and about effective ways to use it. I ask that you designate one or two members of your budget staff to serve as a similar source of information on zero-base budgeting in your agency. This approach will help ensure the zero-base budgeting is applied throughout the Executive Branch by persons familiar with Federal Government procedures. This should avoid the need for your staff to seek assistance from commercial firms or consultants from outside the Government. Such outside advice may not necessarily be applicable to the particular needs of the Executive Branch and may result in wasted effort and unnecessary costs.

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

MEMORANDUM FOR: THE PRESIDENT  
FROM: ZBIGNIEW BRZĘZINSKI  
SUBJECT: Proliferation Legislation

Attached for your signature at Tab A is the transmittal message (House and Senate) for the Administration's comprehensive nuclear non-proliferation legislation. This legislation has been prepared by the NSC interagency group created pursuant to NSC/PD-8, and has been cleared through the OMB. The transmittal message reflects the spirit and substance of the decisions made by you in PD-8 and in subsequent decision memoranda.

RECOMMENDATION:

That you sign the transmittal messages at Tab A.

4/26

X

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

April 19, 1977

MEMORANDUM FOR: RICK HUTCHESON  
FROM: ZBIGNIEW BRZEZINSKI *25.*  
SUBJECT: The Two Proliferation Memos

Immediate action on the two proliferation memos is needed to allow:

(1) Completion of the Administration's legislative package on this issue -- which has been promised and testimony scheduled for several weeks. Testimony is this Thursday.

(2) A demarche to the French to try to get them to accept the idea of the fuel cycle evaluation program in time for bilaterals before the Summit. The announcement of international agreement to this proposal is planned as one of the major accomplishments of the Summit. State believes that the cable must go out by the 19th. The cable has been drafted and received for White House clearance last week. We are holding it for the President's decision.

CONFIDENTIAL

DECLASSIFIED

Per: RAC Project

ESD/N: NLC-126-7-13-1-9

BY *[Signature]* DATE *1/16/13*

THE WHITE HOUSE

WASHINGTON

April 16, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

STU EIZENSTAT

*Stu*

SUBJECT:

Zbigniew Brzezinski Memos 4/15/77

Re: U.S. Attitude Toward Reprocessing Abroad  
and Proliferation Issues

Due to the press of business on water projects, auto emissions and the energy plan (each of which involves the same people on my staff), I have not had the opportunity to review the above memorandums. I think these issues are important, and before you make your decisions, I would like to get my comments to you.

*get Stu's comments  
Sunday noon*



TO THE CONGRESS OF THE UNITED STATES:

The need to halt nuclear proliferation is one of mankind's most pressing challenges. Members of my Administration are now engaged in international discussions to find ways of controlling the spread of nuclear explosive capability without depriving any nation of the means to satisfy its energy needs. The domestic nuclear policies which I have already put forward will place our nation in a leadership position, setting a positive example for other nuclear suppliers as well as demonstrating the strength of our concern here at home for the hazards of a plutonium economy. Today I am submitting to the Congress a bill which would establish for the United States a strong and effective non-proliferation policy.

This bill relies heavily upon work which the Congress has already done, and I commend the Congress for these valuable initiatives. I look forward to working with the Congress to establish a strong, responsible legislative framework from which we can continue strengthened efforts to halt the spread of nuclear weapons.

Among our shared goals are: an increase in the effectiveness of international safeguards and controls on peaceful nuclear activities to prevent further proliferation of nuclear explosive devices, the establishment of common international sanctions to prevent such proliferation, an effort to encourage nations which have not ratified the Non-Proliferation Treaty to do so at the earliest possible date, and adoption of programs to enhance the reliability of the United States as a supplier of nuclear fuel.

This bill differs from pending proposals, however, in several respects:

1. It defines the immediate nuclear export conditions which we can reasonably ask other nations to meet while we negotiate stricter arrangements. The proposals currently before Congress would impose criteria that could force an immediate moratorium on our nuclear exports, adversely affecting certain allies whose cooperation is needed if we are to achieve our ultimate objective of non-proliferation.

2. It defines additional nuclear export conditions which will be required in new agreements for civil nuclear cooperation. In particular, we will require as a continuing condition of U.S. supply that recipients have all their nuclear activities under IAEA safeguards. I view this as an interim measure and shall make it clear to all potential recipients and to other nuclear suppliers that our first preference, and continuing objective, is universal adherence to the Non-Proliferation Treaty.

3. For the near future, it attempts to tighten the conditions for U.S. nuclear cooperation through renegotiation of existing agreements to meet the same standards as those we will require in new agreements. I believe that this approach will better meet our non-proliferation objectives than will the unilateral imposition of new export licensing conditions.

4. It increases the flexibility we need to deal with an extremely complex subject. For example, instead of requiring countries that want our nuclear exports to foreswear fuel enrichment and reprocessing for all time, it allows us to draft new agreements using incentives to encourage countries not to acquire such facilities. It also permits me to grant exceptions when doing so would further our basic aim of non-proliferation. All new cooperation agreements would, of course, be subject to Congressional review.

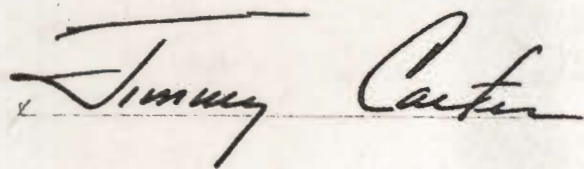
This bill is intended to reassure other nations that the United States will be a reliable supplier of nuclear fuel and equipment for those who genuinely share our desire for



non-proliferation. It will insure that when all statutory standards have been met, export licenses will be issued -- or, if the judgment of the Executive Branch and the independent Nuclear Regulatory Commission should differ, that a workable mechanism exists for resolving the dispute.

Since I intend personally to oversee Executive Branch actions affecting non-proliferation, I do not think a substantial reorganization of the responsibility for nuclear exports within the Executive Branch is necessary. This conclusion is shared by the Nuclear Regulatory Commission.

The need for prompt action is great. Until domestic legislation is enacted, other countries will be reluctant to renegotiate their agreements with us, because they will fear that new legislation might suddenly change the terms of cooperation. If the incentives we offer them to renegotiate with us are not attractive enough, the United States could lose important existing safeguards and controls. And if our policy is too weak, we could find ourselves powerless to restrain a deadly world-wide expansion of nuclear explosive capability. I believe the legislation now submitted to you strikes the necessary balance.

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J". The last name "Carter" is written in a similar cursive style. The signature is positioned on the right side of the page, below the main body of text.

THE WHITE HOUSE,

THE WHITE HOUSE  
WASHINGTON

Date: April 15, 1977

MEMORANDUM

FOR ACTION:  
Stu Eizenstat

FOR INFORMATION: Zbigniew Brzezinski  
(Staffing Form)

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Zbigniew Brzezinski memo 4/15/77 re U.S. Attitude Toward  
Reprocessing Abroad.

Zbigniew Brzezinski memo 4/15/77 Proliferation Issues.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

~~CONFIDENTIAL AND SECRET ATTACHMENTS~~

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)